Mithra Announces 2022 Half Year Results

- **Revenues stands at EUR 11.4 million mostly driven by Estelle® sales and a 30% increase in sales in the complex therapeutics division**
- **Acceleration in the number of NEXTSTELLIS® cycles dispensed in the United States; launch in Australia by Mayne Pharma. Continuous commercial roll out of DROVELIS® in additional European countries**
- **FDA approval of Myring® in the U.S. received in August, with a milestone payment of EUR 6 million to be collected in H2 2022**
- **Positive top-line results from Donesta® Phase 3 Program announced in January and confirmation of Donesta® safety profile by the last DSMB report in September, allowing to move forward the program with primary safety results anticipated for end 2022 in the United States/Canada and for end H1 2023 in Europe**
- **Cash position at EUR 29.3 million end June 2022**
- **Convertible loan signed with Highbridge Capital Management and Whitebox Advisors for an amount up to EUR 100 million, including repurchase of EUR 34.1 million tranche of our convertible bonds due in 2025 at a discount to par**

Liege, Belgium, 23 September 2022 – 7:30 CEST – Mithra (Euronext Brussels: MITRA), a company dedicated to Women's Health, today announces its financial results for the six-month period ending on 30 June 2022, prepared in accordance with IFRS. The full interim report is available on the Investors section of the website.

Leon Van Rompay, CEO Mithra Women's Health, commented: "*The first half of 2022 was marked by several operational milestones, such as the launch of our contraceptive pill Estelle® in additional European countries and in Australia, as well as the FDA approval for our contraceptive Myring® in August, triggering the payment of a EUR 6 million milestone. During this first semester, Mithra's revenues amounted to 11.4 million EUR, largely driven by Nextstellis®/Drovelis® sales and supported by an increase of 30% in sales of generic products, including Myring® sales in Europe and the rest of the world.*

Early this year, we announced the positive topline efficacy results of the Phase 3 Donesta® Program, allowing us to speed up our discussions with interested partners for a license and supply agreement. Following the reception of several commercial offers, we now anticipate negotiations to accelerate in the next couple of weeks, with the signature of an agreement expected during the fourth quarter of 2022.

In addition to our two core assets in Women's health, we made exciting progress in two fields of application of our unique molecule Estetrol, with the launch of the first clinical trial in neuroprotection and the positive results of the preclinical program demonstrating efficacy of estetrol to promote wound healing and support its use in clinic. With this two R&D areas beyond Women's health, as well as promising early results from in vitro trials on innovative kinase inhibitors for cancer and endometriosis, we are building today a diversified pipeline offering multiple opportunities the mid- to long-term."

Financial highlights (including post-period end)

- **Revenues stand at EUR 11.4 million mainly driven by Estelle®:** 3.7 million relates to product sales and EUR 4.0 million relates to an out-licensing revenue in the context of the license and supply agreement with Gedeon Richter for the commercialization of Estelle® in Latin America.
- **Sales from generic products** in our portfolio, at EUR 2.4 million, increased by 30% compared to last year. The majority of it concerns Myring® sales in Europe and Canada.
- **Cash collection of one Estelle® out-licensing milestone relating to Latin America** with Gedeon Richter (EUR 1 million), without impact on revenue as it was already recognized as per IFRS15 previously. Still around EUR 288 million cash to be collected for Estelle® out-licensing and sales related milestones.
- **Research and development expenses** (excluding depreciation) decreased by 31% to reach EUR 22.7 million compared to EUR 32.8 million in the first half of 2021. This decrease is attributable to a timing effect as these expenses should accelerate in the second half of 2022.
- **REBITDA** for the first half 2022 stands at EUR -21.2 million, compared to EUR -31.4 million for the first half 2021, the decrease is mainly explained by the lower expenses incurred in research and development.
- **Below REBITDA**, the positive impact of EUR 4.3 million booked in the change in fair value gain related to contingent consideration payable relates to Estelle®. It is the consequence of a conservative review of the contingent payable, namely the updated discount rate. Concerning this liability, no payment was done during the period to former owners of Uteron Pharma[1].
- EUR 29.3 million **cash position**, on the top of which the following facilities are available (subject to conditions) :
    - EUR 50 million from the senior secured convertible facilities agreement signed on 8 August 2022 with funds managed by Highbridge Capital and funds managed by Whitebox Advisors for an amount of EUR 100 million, with a maturity in August 2025. The first tranche of EUR 50 million was received upon signing of the agreement, with around 29 million used to repurchase outstanding convertible bonds of the Company held by the Lenders.
    - EUR 53.8 million in the framework of LDA Capital commitment agreement entered in April 2020 with a maturity in April 2025.
    - EUR 85 million flexible equity financing agreement contracted with Goldman Sachs International, signed in February 2022 with a maturity in February 2024.
- **Equity** stands at EUR 36.1 million, compared to EUR 33.8 million end of December 2021: the total comprehensive loss for the period (EUR 47.3 million) was compensated by several capital increases for a total amount of EUR 49.1 million (net of transaction costs):
    - EUR 11.8 million from LDA Capital;
    - EUR 13.8 million in the framework of flexible equity financing agreement with Goldman Sachs International;
    - EUR 23.4 million from the private placement completed in June 2022.

[1] Mithra's press release, 01/10/2019

Operational Highlights (including post-period events)

Estetrol (E4) Platform

- **Commercial launch of Estelle®** in Australia by Mayne Pharma (July) under the trademark NEXTSTELLIS®.
- **Launch of NEXTSTELLIS® contraceptive direct-to-consumer (DTC) campaign** across targeted digital and social media channels in the United States (July). Collaboration with the leading digital healthcare platform GoodRx, one of the most downloaded medical apps reaching millions of patients a month. DTC campaign reached 5.6 million women so far.
- **Increase of NEXTSTELLIS® sales in the United States** in H1 2022 with almost 57,000 cycles dispensed and a steady increase in the number of cycles prescribed by healthcare professionals. Mayne Pharma committed to a forecast of more than 350k cycles for FY 2023 (period going from July 2022 until June 2023).
- **Nomination of NEXTSTELLIS® for the 2022 Prix Galien USA Award** for Best Pharmaceutical Agent. After France and Belgium, Mithra's contraceptive pill is selected for the third time by the Galien Prize, the most prestigious award of the pharmaceutical research and innovation.
- **Commercial launch of Estelle® in 12 additional European countries** by Gedeon Richter under the trademark DROVELIS®: The Netherlands, Czech Republic, Lithuania, Portugal, Finland, Croatia, Latvia, Sweden, Spain, Bulgaria, Norway and Romania. Sales for H1 2022 have tripled versus H2 2021 to reach EUR 5.7 million end of June. Sales should reach EUR 15 million for the year 2022.
- **Positive efficacy top-line results from Donesta® Phase 3** clinical trials for the treatment of vasomotor symptoms in post-menopausal women. Donesta® demonstrated a meaningful reduction in vasomotor symptoms from baseline and compared to placebo. All co-primary efficacy endpoints were statistically (all $p<0.01$) met in C301 (Europe, Latam and Russia) and in C302 (North America) studies. Both studies also showed that the number and severity of hot flushes continued to decrease week after week until the end of the study, i.e. 3 months of treatment. Secondary endpoints evaluated at 3 months in the C301 study suggest a very positive impact of Donesta® on the quality of life.
- **Independent Data Safety Monitoring Board (DSMB) confirmed the safety profile of Donesta®** in its last safety assessment (September) of the Donesta® Phase 3 Clinical Program. The experts confirmed an expected pharmacological profile during the trial from initiation until the safety evaluation of 2,342 subjects treated and recommended to continue the studies without modification.
- **Launch of the recruitment of 300 additional menopausal non-hysterectomised women for the Donesta® European Study extension** (C301), following the decision of the independent Data and Safety Monitoring Board (DSMB). Thanks to the implementation of a mitigation plan activated immediately after the beginning of the geopolitical crisis in Eastern Europe, all the Russian sites originally selected for participating in the study were replaced by other sites to ensure a direct start of recruitment. The recruitment of these 300 women should be completed in H2 2022. The Donesta® Phase 3 Clinical Program is still ongoing with patients completing a treatment duration for 52 weeks.
- **Extension of the Donesta® Clinical Program with three Proof of Concept Phase 2 studies** carried out on estetrol's effect on symptoms significantly impacting postmenopausal women's quality of life: skin health, hair quality and female sexual and urogenital functions (FSAD). Based on the feedback of the regulatory authorities and the Donesta Scientific Advisory Board, Mithra decided to replace the initially planned Phase 3 study on vulvo vaginal

atrophy by the Phase 2 study on FSAD. These additional clinical trials are expected to start by the end of the year.

- Discussions with partners around the **Donesta® License and Supply Agreement** are progressing according to our plans, following the reception of several commercial offers, we expect negotiations to accelerate in the next couple of weeks, with an agreement anticipated during the fourth quarter of 2022.
- **Launch of the clinical program on Neonatal Hypoxic-Ischemic Encephalopathy** (NHIE), a life-threatening form of neonatal asphyxia. The first clinical trial (Phase 1) aims to characterise, in healthy adult volunteers, the safety, tolerability and pharmacokinetics of a novel formulation of estetrol for intravenous administration. Depending on the results anticipated in Q1 2023, the clinical trial on the neonatal population will be launched in H2 2023.
- **Positive results of the preclinical in vitro and in vivo Program demonstrating efficacy of estetrol to promote wound healing** and support its use in clinic. The development of a novel formulation of estetrol for topical application is ongoing. The next steps are the finalisation of the development of a novel formulation of estetrol for topical application in order to produce a first clinical batch and the preparation of a study protocol to explore the safety and efficacy of E4 in a punch biopsy study. Depending on the results, a proof of concept should be demonstrated by the end of the year, with a potential launch of a Phase 2 study in H2 2023.

Complex therapeutics

- **FDA approval of Myring® under the trademark HALOETTE®** for commercialization in the U.S., the largest market worldwide, by Mayne Pharma. Mithra will receive EUR 6 million in the second half of 2022 as a result of receiving FDA approval and EUR 1.6 million upon commercial launch in the U.S. anticipated by early calendar year 2023.
- **Commercial launch of Myring® in Canada** by Searchlight Pharma under the trademark HALOETTE®, as the first available alternative in the Canadian contraceptive ring market.
- Launch of an animal **PK/PD comparative study for Zoreline®** to select final formulation for 1 month and 3 months implant. Several 1 month formulations have been tested in diffusion test and non-clinical assay. Additional fine-tuning and formulation's change are currently under investigation. Mithra expect to launch the clinical studies in Q1 2023, with a potential commercial launch of the 1 month formulation in late 2025, depending on the success of the formulation.

Tyrosine kinases inhibitors

- **Positive progression in the research collaboration with BCI Pharma**, with the identification of 4 distinct chemical series of selective CSF1R inhibitors, showing very promising profiles in a range of in vitro tests. A small number of the most promising compounds are now being evaluated in a range of in vivo models in order to demonstrate proof of concept by the end of 2022 in animal models, with initial focus in cancer and endometriosis indications.

Mithra CDMO

- **Agreement with MedinCell for the development of two long-acting injectable products in its CDMO:** a 3-month long acting injectable designed as an additional tool to fight Malaria; a long-acting injectable of tacrolimus for transplant patients aiming at improving efficacity, tolerance and patient observance.
- **Production of more than 500,000 vaginal rings Myring®** in line with the forecasted volume for EU and ROW and including the launch in Canada.

- Next to regular supply of Mithra's products, **increasing of services to third parties** on several development projects and clinical supply, both in solid polymer formulations as well as injectable formulations.

Environmental, Social and Governance (ESG)

Environment

- **Environmental footprint reduction:**
    - activation of 2,748 additional solar panel field. With an estimated annual green production of 1,110,000 KWh (equivalent of the consumption of approximately 200 households), these new panels will represent a CO_2 saving of around 250 tons per year. The solar energy from the 4,598 panels will cover 30% of our Mithra CDMO electrical power consumption;
    - turn down the heating, ventilation, and air conditioning units in CDMO offices and open spaces at night and on weekends.
- **Environmental risks of products :** The environmental risk assessment exercise is currently ongoing for our product candidate Donesta. An ecotoxicology study is conducted by the University of Namur in Belgium to further characterize the environmental impact of the combination E4/DRSP.

Social

- **Implementation of the "Well-being" action plan** with several initiatives aimed at improving the working conditions and work-life balance of Mithra's employees, such as the implementation of a new evaluation system coupled with a career evolution plan, the strengthening of internal communication, the improvement of the onboarding process,…
- **Women empowerment:** support meaningful projects and initiatives dedicated to enable women's success like **the Women's Mentoring Program at HEC Liège and the** Mithra Belgian Ladies Open, a new golf tournament based in Belgium and gathering the world's top female players.

Governance

- **Changes within Mithra's Board of Directors:** appointment of Mr. Christian Moretti as Director and Chairman and Mr. Erik Van Den Eynden as Vice-Chairman, following the resignation of Mr. Ajit Shetty for personal reasons non related to the company (July). These functions will be exercised until the next Company's Shareholders Meeting in May 2023 called to deliberate on the renewal of the Board at the end of the members' terms of office. Resignation of Mr. François Fornieri as non-executive director for personal reasons (June).

Expected milestones and outlook for the remainder of 2022

- **Estelle® commercial launch in the United Kingdom, as well as** additional marketing authorizations (Brazil, Israel,…) are anticipated in H2 2022. Expansion of international partnerships in uncovered territories such as China.
- **Donesta® primary safety results** anticipated for end 2022 in the United States/Canada and for end H1 2023 in Europe. Depending on the evolution of the Covid-19 situation, the potential impact of the geopolitical situation in Eastern Europe on recruitment, the study results and regulatory authorizations, Mithra believes it could achieve marketing authorization for Donesta® at the end of H1 2024 for the United States and at the end of 2024 for Europe.

- **Launch of 3 Phase 2 studies in Donesta® Clinical Program** carried out on skin health, hair quality and female sexual and urogenital functions.
- **License and supply agreement for Donesta® anticipated in Q4 2022.**

FINANCIAL RESULTS

1. Interim consolidated statement of income statement

Thousands of Euro (€)	*30 June 2022*	*30 June 2021*
Revenue	11,357	12,142
Cost of sales	(7,083)	(8,246)
Gross profit	**4,275**	**3,897**
Research and development expenses	(27,518)	(36,756)
General and administrative expenses	(7,042)	(5,896)
Selling expenses	(1,185)	(686)
Other operating income	3,933	2,908
Loss from operations	**(27,537)**	**(36,534)**
Change in the fair value of contingent consideration payable	4,332	(12,813)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	-	(6,351)
Financial income	1,889	1,310
Financial expenses	(7,638)	(6,090)
Loss before taxes	**(28,952)**	**(60,478)**
Income taxes	(2,295)	5,584
NET LOSS FOR THE PERIOD	(31,247)	(54,894)

2. Interim consolidated statement of financial position

Thousands of Euro (€)	*30 June 2022*	*31 December 2021*
ASSETS		
Property, plant and equipment	39,848	38,354
Right-of-use assets	67,293	69,322
Goodwill	5,233	5,233
Other intangible assets	114,880	104,954
Deferred income tax assets	64,529	63,456
Contracts assets	2,638	49
Investments in equity securities	27,805	31,898
Other non-current assets	8,461	9,263
Non-current assets	**330,687**	**322,528**
Inventories	48,212	43,852
Contract assets	14,245	12,522
Derivatives financial assets	-	100
Trade and other receivables	10,058	10,044
Cash and cash equivalents	29,299	32,872
Current assets	**101,813**	**99,389**
TOTAL ASSETS	432,500	421,918

Thousands of Euro (€)	*30 June 2022*	*31 December 2021*
EQUITY AND LIABILITIES		
Share capital	37,031	32,250
Additional paid-in-capital	385,058	340,769
Other reserves	(18,083)	(2,545)
Accumulated deficit	(367,881)	(336,633)
Equity attributable to equity holders	**36,125**	**33,840**
Subordinated loans	11,043	11,629
Other loans	114,535	113,608
Lease liabilities	40,016	42,353
Refundable government advances	11,572	12,769
Other financial liabilities	75,413	102,675
Derivative financial liabilities	10,859	2,897
Provisions	266	266
Deferred tax liabilities	5,268	6,089
Non-current liabilities	**268,973**	**292,285**
Current portion of subordinated loans	940	1,314
Current portion of other loans	47,376	45,253
Current portion of lease liabilities	6,184	6,561
Current portion of refundable government advances	1,745	1,617
Current portion of other financial liabilities	38,759	15,829
Derivative financial liabilities	4,822	1,886
Trade and other payables	27,576	23,331
Current liabilities	**127,402**	**95,792**
TOTAL EQUITY AND LIABILITIES	432,500	421,918

3. Interim consolidated statement of cash flow

Thousands of Euro (€)	*30 June 2022*	*30 June 2021*
Cash and cash equivalents at beginning of year	**32,872**	**138,675**
Net cash (used in)/ provided by operating activities	(33,204)	(31,548)
Net cash (used in)/ provided by investing activities	(12,124)	(43,915)
Net cash (used in)/provided by financing activities	41,765	(7,352)
Net increase/(decrease) in cash and cash equivalents	**(3,563)**	**(82,815)**
Effects of exchange rate changes on cash and cash equivalents	(10)	(30)
Cash and cash equivalents at end of period	**29,299**	**55,830**

Profit and Loss

The Group reported a net loss of EUR 31.2 million for the first half 2022, compared to a net loss of EUR 54.9 million for the first half 2021.

Group revenue was about EUR 11.4 million in the first half 2022. Approximately 68% of it was derived from Estelle® (52% for the same period in the previous year). During the period, the Group accounted for EUR 3.7 million Estelle® product sales, which are lower than previous year due to the safety stock built by our partners for last year's commercial launch, and EUR 4.0 million out-licensing revenue in the context of the license and supply agreement of Estelle® in Latin America with Gedeon Richter. Mithra CDMO rendered several R&D services to third parties (EUR 1 million revenue).

Sales from generic products in our portfolio, at EUR 2.4 million, increased by 30% compared to last year. The majority of it concerns Myring® sales in Europe and Canada.

Research and development expenses decreased by 25% to reach EUR 27.5 million compared to EUR 36.8 million in first half 2021. This decrease is attributable to a timing effect as these expenses should accelerate in the second half of 2022. First half 2021 was still impacted by Covid study, for which no further clinical development is conducted since second half of 2021. This decrease is partially offset by the increase in amortization of other intangible assets (intellectual property rights and internally generated research and development expenses for this project are considered as available for use since the reception of Estelle® Marketing authorization in May 2021).

General and administrative expenses and selling expenses increased by 25%, mainly explained by an increase in insurance costs and salaries indexation.

Other operating expenses (EUR 3.9 million, compared to EUR 2.9 million in first half 2021) are composed of R&D tax credit for EUR 1.0 million and costs reinvoicing for EUR 2.2 million.

The positive impact about EUR 4.3 million of change in fair value gain related to contingent consideration payable Estelle® is mainly the consequence of conservative review of management estimate, namely the updated discount rate (the WACC is 1,5% higher than for previous closing).

Financial income increase is explained by the positive impact of the remeasurement of refundable government advances measured at amortized cost (EUR 1.4 million), following the review of revenue forecasts (slower ramp-up on Estelle® product sales).

Increase of financial expenses is mostly driven by the interest charges, higher than in first half 2021, linked to the higher financial liabilities during the period.

The group recorded a tax loss of EUR 2.3 million for the six months that mainly results of the review of tax impact on temporary differences on contingent consideration payable Estelle® (IFRS liability decreases), partially compensated by the recognition of tax losses carried forward in several entities. The latter are limited compared to previous periods in the view of the tax forecasts and the accumulated losses already recorded on the balance sheet (to be set off against future taxable income).

Alternative performance measures

Mithra decided to use some alternative performance measures (APMs) that are not defined in IFRS but that provide helpful additional information to better assess how the business has performed over the period. Mithra decided to use REBITDA and EBITDA in order to provide information on recurring items, but those measures should not be viewed in isolation or as an alternative to the measures presented in accordance with IFRS.

REBITDA is an alternative performance measure calculated by excluding the non-recurring items and the depreciation & amortization from EBIT (loss from operations) from the consolidated statement of profit or loss prepared in accordance with IFRS. The Group considers share-based payments as non-recurring item above EBITDA.

EBITDA is an alternative performance measure calculated by excluding the depreciation and amortization from EBIT (loss from operations) from the consolidated statement of profit or loss prepared in accordance with IFRS.

Financial Highlights are presented as follows in the first section of this press release (management figures) :

Thousands of Euro (€)	*30 June 2022*	*30 June 2021*
Revenue	11,357	12,142
Cost of sales	(6,842)	(8,246)
Gross profit	**4,516**	**3,897**
Research and development expenses	(22,714)	(32,880)
General and administrative expenses	(5,818)	(4,733)
Selling expenses	(1,143)	(604)
Other operating income	3,933	2,908
REBITDA	**(21,226)**	**(31,412)**
Share-based payments expenses	(485)	(485)
EBITDA	**(21,711)**	**(31,897)**
Depreciation	(5,826)	(4,637)
Loss from operations	**(27,537)**	**(36,534)**
Change in the fair value*** of contingent consideration payable	4,332	(12,813)
Net fair value gains/(losses) on financial assets at fair value through profit or loss	-	(6,351)
Financial income	1,889	1,310
Financial expenses	(7,638)	(6,090)
Loss before taxes	**(28,952)**	**(60,478)**
Income taxes	(2,295)	5,584
NET LOSS FOR THE PERIOD	(31,247)	(54,894)

Please refer to the table below for the reconciliation to loss from operations as presented within consolidated statement of profit or loss :

Thousands of Euro (€)	*30 June 2022*	*30 June 2021*
Loss from operations	**(27,537)**	**(36,534)**
Depreciation	5,826	4,637
Share-based payments	485	485
REBITDA	(21,226)	(31,412)
Share-based payments	(485)	(485)
EBITDA	(21,711)	(31,897)

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Webcast

Mithra will host a live webcast on **Friday, 23 September 2022 at 09:00 CEST** to announce its 2022 Half Year financial and operating results. The live webcast can be accessed on the Mithra website or by clicking here. A replay of the webcast will be available on the Mithra investor's website shortly after the close of the call.

About Mithra

Mithra (Euronext: MITRA) is a Belgian biotech company dedicated to transforming Women's Health by offering new choices through innovation, with a particular focus on contraception and menopause. Mithra's goal is to develop products offering better efficacy, safety and convenience, meeting women's needs throughout their life span. Mithra explores the potential of the unique native estrogen estetrol in a wide range of applications in women health and beyond. After having successfully launched the first estetrol-based product in 2021, the contraceptive pill Estelle®, Mithra is now focusing on its second product Donesta®, the next-generation hormone therapy. Mithra also develops and manufactures complex therapeutics in the areas of contraception, menopause and hormone-dependent cancers. It offers partners a complete spectrum of research, development and specialist manufacturing at its technological platform Mithra CDMO. Active in more than 100 countries around the world, Mithra has an approximate headcount of 300 staff members and is headquartered in Liège, Belgium. www.mithra.com

Important information

The contents of this announcement include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes", "estimates," "anticipates", "expects", "intends", "may", "will", "plans", "continue", "ongoing", "potential", "predict", "project", "target", "seek" or "should", and include statements the Company makes concerning the intended results of its strategy. By their nature, forward-looking statements involve risks and uncertainties and readers are cautioned that any such forward-looking statements are not guarantees of future performance. The Company's actual results may differ materially from those predicted by the forward-looking

statements. The Company undertakes no obligation to publicly update or revise forward-looking statements, except as may be required by law.